13

14

15

16

17

18

19

20

21

BEFORE THE GROWTH MANAGEMENT HEARINGS BOARD **WESTERN WASHINGTON REGION** STATE OF WASHINGTON

FRIENDS OF CLARK COUNTY AND FUTUREWISE, Petitioners, ٧. CLARK COUNTY, Respondent, And LAGLER REAL PROPERTY LLC AND ACKLERLAND LLC, Intervenors.

Case No. 16-2-0002

FINAL ORDER GRANTING SUMMARY JUDGMENT

THIS Matter comes before the Board upon Petitioners' Friends of Clark County and Futurewise Dispositive Motion or Motion for Summary Judgment¹ on Issue 1 requesting the Board determine that Clark County Ordinance Nos. 2016-04-03 and 2016-05-03 regarding Rural Industrial Land Banks violate RCW 36.70A.367(6) and 36.70A.130(4). Petitioners also request the Board to remand the Ordinances to the County and make a determination of invalidity for the two ordinances. Clark County and Intervenors Lagler Real Property LLC and Ackerland LLC oppose the Dispositive Motion or Motion for Summary Judgment.² The

24

25

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 26 Page 1 of 9

²² 23

¹ Friends of Clark County's and Futurewise's Dispositive Motion or Motion for Summary Judgment, (August 18,

² Clark County Response to Petitioners' Dispositive Motion or Motion for Summary Judgment (August 29, 2016) and Intervenors Lagler Real Property LLC and Ackerland, LLC Response to Petitioners' Dispositive Motion or Motion for Summary Judgment (August 29, 2016).

10

11

16

18

23

26

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 Page 2 of 9

Board finds the County violated the GMA, grants the Motion for Summary Judgment and remands Ordinances Nos. 2016-04-03 and 2016-05-03 to Clark County.

I. PRESUMPTION OF VALIDITY, BURDEN OF PROOF, AND STANDARD OF REVIEW

Comprehensive plans and development regulations, and amendments, are presumed valid upon adoption.³ This presumption creates a high threshold for the Petitioners as the burden is on the Petitioners to demonstrate that action taken by Clark County is not in compliance with the GMA.⁴ The Board is charged with adjudicating GMA compliance and, when necessary, invalidating noncompliant plans and development regulations.⁵ In order to find Clark County's action clearly erroneous, the Board must be "left with the firm and definite conviction that a mistake has been committed."⁶

The standard of review for Petitioners' motion for summary judgment and imposition of invalidity is derived from:

- RCW 36.70A.300(3) Final Orders in which the Board must find the local jurisdiction is or is not in compliance with GMA;
- RCW 36.70A.302 Determination of Invalidity in which the Board must a.) find non-compliance, b.) issue an order of remand under RCW 36.70A.300, and c.) find the local jurisdiction's action would substantially interfere with fulfillment of GMA goals and specify which parts of a comprehensive plan or regulation is

³ RCW 36.70A.320(1) provides: [Except for the shoreline element of a comprehensive plan and applicable development regulations] comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.

⁴ RCW 36.70A.320(2) provides: [Except when a city or county is subject to a Determination of Invalidity] the burden is on the petitioner to demonstrate that any action taken by a state agency, county, or city under this chapter is not in compliance with the requirements of this chapter.

⁵ RCW 36.70A.280, RCW 36.70A.302.

⁶ City of Arlington v. CPSGMHB, 162 Wn.2d 768, 778, 193 P.3d 1077 (2008) (Citing to Dept. of Ecology v. PUD District No. 1 of Jefferson County, 121 Wn.2d 179, 201, 849 P.2d 646 1993); See also, Swinomish Tribe, et al v. WWGMHB, 161 Wn.2d 415, 423-24, 166 P.3d 1198 (2007); Lewis County v. WWGMHB, 157 Wn.2d 488, 497-98, 139 P.3d 1096 (2006).

13

15

22

23

2425

26

invalid. If the Board imposes invalidity, then invalidity is prospective and does not extinguish vested rights;⁷ and

• WAC 242-03-555 *Dispositive Motions* in which the Board may dispose of issues or a case based on the Board's jurisdiction, petitioner's standing or timeliness of petitioners. "The board rarely entertains a motion for summary judgment *except* in a case of failure to act by a statutory deadline." 8 (emphasis added)

II. PETITION FOR REVIEW

On April 26 and May 10, 2016, the Board of Clark County Councilors adopted two ordinances to establish industrial land bank sites and amend the County's comprehensive plan policies and regulations for industrial land banks.⁹ Petitioners' Petition for Review was timely filed with the Board and identified three issues for review. In summary, Petitioners claim the County violated GMA by:

- Issue 1. Establishing industrial land banks after GMA legislative deadlines,
- Issue 2. De-designating agricultural lands of long-term commercial significance, and
- Issue 3. Failing to comply with requirements for industrial land banks. 10

Petitioners requested the Board to find the County in violation of the GMA and remand the ordinances to the County and make a determination of invalidity.¹¹

⁷ RCW 36.70A.302 Growth management hearings board—Determination of invalidity—Vesting of development permits—Interim controls.

⁸ RCW 242-03-555(1).

⁹ Clark County Ordinance No. 2016-04-03 (April 26, 2016) and Ordinance No. 2016-05-03 (May 10, 2016).

¹⁰ Petitioners' Petition for Review, (June 20, 2016) at 3 Issue Statements 1.Did the adoption of Ordinance No. 2016-04-03 and Ordinance No. 2016-05-03 violate RCW 36.70A.367(6) and RCW 36.70A.130(1)(d) because the industrial land banks were designated after the deadline in RCW 36.70A.367(6) and RCW 36.70A.130(4)? 2. Did the adoption of Ordinance No. 2016-04-03 and Ordinance No. 2016-05-03 violate RCW

^{36.70}A.170(1)(a), RCW 36.70A.060(1)(a), 36.70A.020(8), RCW 36.70A.070, RCW 36.70A.130(1)(d), or the Clark County comprehensive plan by de-designating approximately 602.4 acres of agricultural lands of long-term commercial significance?

^{3.} Did the adoption of Ordinance No. 2016-04-03 and Ordinance No. 2016-05-03 violate RCW RCW 36.70A.070, RCW 36.70A.130(1)(d), RCW 36.70A.210(2) or (3), the applicable provisions of RCW 36.70A.365(2), or RCW 36.70A.367(1), (2), (3), (4), or (7) by failing to comply with the requirements for industrial land banks?

¹¹ *Id.* at 4-5.

11 12

10

14 15

13

16

18

19

17

20

21

2223

24

25 26

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 Page 4 of 9

III. MOTION FOR SUMMARY JUDGMENT AND RESPONSE

Petitioners' motion for summary judgment asks the Board to find the County failed to meet statutory deadlines in RCW 36.70A.367(6) and RCW 36.70A.130(4)¹² which, read together, required the County to establish industrial land banks by 2004. Petitioners argue that because RCW 36.70A.367(6) references RCW 36.70A.130(4), which requires comprehensive plan updates by 2004, the statutory deadline was 2004. Petitioners acknowledge the "County and Intervenors may try to argue that the legislature would not have extended the timelines for designating industrial land banks if they intended to leave the deadlines for Clark County on December 1, 2004." But, citing *Rest. Dev. Inc. v. Cananwill, Inc.*, Petitioners maintain the Board would "violate the rule of basic statutory construction by adding "and (5)" to RCW 36.70A.367(6)." ¹⁴

Intervenor and Respondent oppose Petitioners' motion for summary judgment arguing the legislature intended to extend the deadline to 2016 for counties to designate industrial land banks. Citing *Campbell and Gwinn*, they urge the Board to look at "all that the Legislature has said in the statute and related statues which disclose legislative intent about the provision in question." Further, they argue the legislature adopted a series of amendments extending the industrial land bank deadlines since 1998¹⁶ and that no county in the state could have approved a RILB (industrial land bank) after the last date stated in

Growth Management Hearings Board 1111 Israel Road SW, Suite 301 P.O. Box 40953 Olympia, WA 98504-0953

Phone: 360-664-9170 Fax: 360-586-2253

¹² RCW 36.70A.367(6) "...the county shall take action to designate one or more industrial land banks and adopt conforming regulations as provided by subsection (2) of this section on or before the last date to complete that county's next periodic review under RCW 36.70A.130(4) that occurs prior to December 31, 2016."

RCW 36.70A.130(4) "... Except as provided in subsection (6) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows: (a) On or before December 1, 2004, for Clallam, Clark, Jefferson, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and the cities within those counties...".

¹³ Dispositive Motion or Summary Judgment (August 18, 2016) at 6.

¹⁴ *Id.* and *Rest. Dev., Inc. v. Cananwill, Inc.*, 150 Wn.2d 674, 80 P.3d 598, 2003 Wash. LEXIS 887 (Wash. 2003).

¹⁵ Dep't of Ecology v. Campbell & Gwinn, L.L.C., 146 Wn.2d 1, 43 P.3d 4, 2002 Wash. LEXIS 188 (Wash. 2002) at 11.

¹⁶ Intervenor and Respondent's Response to Petitioners' Dispositive Motion or Motion for Summary Judgment (August 29, 2016) at 4.

RCW 36.70A.130(4) which is 2007.¹⁷ Intervenor and Respondent emphasize the legislative intent by highlighting the words in RCW 36.70A.367(6) which read "...next periodic review...that occurs prior to December 31, 2016." They argue the legislature intended the deadline to be extended to December 2016, not December 2004 as Petitioners claim. Finally, Intervenor and Respondent cite RCW 36.70A.367(2)(c) allowing counties to approve an industrial land bank at any time.¹⁸ In sum, Intervenor and Respondent argue when the County adopted its industrial land bank ordinances in April and May 2016, it was in full compliance with legislative intent.

IV. ANALYSIS AND DISCUSSION

The question before the Board is whether we can interpret legislative intent regarding deadlines to establish industrial land banks. The legislature may have intended to extend the deadlines, but the Board can only construe legislative intent when it is ambiguous, not when the statute is unambiguous. RCW 36.70A.367(6) unambiguously states a county must act by the deadlines established in RCW 36.70A.130(4), and the deadline in RCW 36.70A.130(4) is the year 2004.

RCW 36.70A.367(6) In order to identify and approve locations for industrial land banks, the county shall take action to designate one or more industrial land banks and adopt conforming regulations as provided by subsection (2) of this section on or before the last date to complete that county's next periodic review under **RCW 36.70A.130(4)** that occurs prior to December 31, 2016. The authority to take action to designate a land bank area in the comprehensive plan expires if not acted upon by the county within the time frame provided in this section. (Emphasis added)

¹⁷ Id. at 5

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 Page 5 of 9

¹⁸ RCW 36.70A367(2)(c) Final approval of an industrial land bank area under this section must be by amendment to the comprehensive plan adopted under RCW 36.70A.070, and the amendment is exempt from the limitation of RCW 36.70A.130(2) and may be considered at any time.

RCW 36.70A.130(4) Except as provided in subsection (6) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

(a) *On or before December 1, 2004,* for Clallam, *Clark*, Jefferson, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and the cities within those counties; (Emphasis added)

RCW 36.70A.130(5) Except as otherwise provided in subsections (6) and (8) of this section, following the review of comprehensive plans and development regulations required by subsection (4) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

(a) On or before June 30, 2015, and every eight years thereafter, for King, Pierce, and Snohomish counties and the cities within those counties;
(b) *On or before June 30, 2016,* and every eight years thereafter, for Clallam, *Clark*, Island, Jefferson, Kitsap, Mason, San Juan, Skagit, Thurston, and Whatcom counties and the cities within those counties;
(Emphasis added)

While the legislature changed the deadlines for comprehensive plan updates in RCW 36.70A.130(5) to 2016, it did not amend RCW 36.70A.367(6) to cross reference the 2016 deadline in RCW 36.70A.130(5). Instead, the legislature simply added a clause in RCW 36.70A.367(6): "that occurs prior to December 31, 2016." The legislature could have, but did not change .367(6)'s reference from .130(4) to .130(5). Alternatively, it could have added the words "or .130(5)" to .367(6). Without construing legislative intent, as the County and Intervenors urge, but instead reading the legislature's plain language, we find the County had until 2004 to designate industrial land banks under RCW 36.70A.367(6).

Appellate precedent requires the Board to focus on the plain meaning of the words in the Growth Management Act, and if the Act is not ambiguous we are to apply that plain meaning as an expression of legislative intent without considering extrinsic sources.¹⁹

¹⁹ Jametsky, 179 Wn.2d at 762. We do not rewrite unambiguous statutory language under the guise of interpretation. Cerrillo v. Esparza, 158 Wn.2d 194, 201, 142 P.3d 155 (2006). And we do not add language to

The Board finds and concludes that the plain language in RCW 36.70A.367(6) directed Clark County to approve industrial land banks by 2004, but in this case, Clark County failed to do so. The Board finds that Petitioners' have met their burden of proof under Issue 1. Clark County did not adopt industrial land banks by 2004 and thus the County violated RCW 36.70A.367(6). Accordingly, the dispositive motion or motion for summary judgment is granted for Issue 1.

Having found that the County's adoption of Ordinances 2016-04-03 and 2016-05-03 failed to meet statutory deadlines in violation of RCW 36.70A.367(6), **the Board finds** that Issues 2 and 3 are moot.

V. INVALIDITY

RCW 36.70A.302 allows the Board to determine part of or all of a comprehensive plan is invalid if we find non-compliance with the GMA, find the plan would substantially interfere with GMA goals, and specify which particular parts of the comprehensive plan are to be declared invalid. The Board has found that the County failed to comply with the required deadlines established in RCW 36.70A.367(6), but it cannot reach the remaining two criteria to find invalidity.

The Board recognizes that this is a close question that implicates fundamental and urgent issues of regional significance where delay in obtaining a final and prompt determination of the appropriate construction of the statute may be detrimental to the parties and/or the public interest. Possible detrimental impacts include delay in achievement of the County's desire to stimulate economic development and the Intervenors' interests in developing their properties. Additionally, the Board acknowledges the Petitioners' concerns regarding the possibility of development applications vesting on lands alleged to be RCW 36.70A.170 designated agricultural lands of long-term commercial significance (See Petitioners' Issue 3).

an unambiguous statute even if we believe the legislature "intended something else *but did not adequately express it.*" *Kilian v. Atkinson*, 147 Wn.2d 16, 20, 50 P.3d 638 (2002). (Emphasis added)

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 Page 7 of 9

9

11 12

10

13 14

15

17

16

18 19

20

21

22

23

24

25

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 26 Page 8 of 9

However, the Board's conclusion that the challenged ordinances were not adopted within the statutory deadline precludes issuance of a determination of invalidity as requested by Petitioners. Under the Board's analysis, the County did not have the authority to approve industrial land bank sites. That being the case, the Board has no jurisdiction to consider the substantive issues of de-designation of agricultural lands (Issue 2) or inconsistency (Issue 3), under which findings of non-compliance might support additional findings of substantial interference with GMA goals. RCW 36.70A.302 allows the Board to impose invalidity only when a jurisdiction's legislation has been found non-compliant and remands for corrective action.²⁰ That is not the case before us.

VI. FINAL ORDER

Based on the foregoing, the Board finds the County's adoption of Ordinances 2016-04-03 and 2016-05-03 failed to meet statutory deadlines and thus violating RCW 36.70A.367(6) and 36.70A130(4). The Board remands Ordinances Nos. 2016-04-03 and 2016-05-03 to Clark County. In order to comply with the GMA, the County must remedy these items within 60 days of the date of this order. The following schedule for compliance, briefing and hearing shall apply:

Compliance Due on identified areas of	November 9, 2016	
noncompliance		
Compliance Report/Statement of Actions Taken	November 23, 2016	
to Comply and Index to Compliance Record		
Objections to a Finding of Compliance	December 7, 2016	

²⁰ RCW 36.70A.302 Growth management hearings board—Determination of invalidity—Vesting of development permits—Interim controls.

⁽¹⁾ The board may determine that part or all of a comprehensive plan or development regulations are invalid if the board:

⁽a) Makes a finding of noncompliance and issues an order of remand under RCW 36.70A.300;

⁽b) Includes in the final order a determination, supported by findings of fact and conclusions of law, that the continued validity of part or parts of the plan or regulation would substantially interfere with the fulfillment of the goals of this chapter; and

⁽c) Specifies in the final order the particular part or parts of the plan or regulation that are determined to be invalid, and the reasons for their invalidity.

1	Response to Objections		December 21, 2016		
2	Telephonic Compliance Hearing Call 1 (800) 704-9804 Use Pin 75796	46#	January 4, 2017 10:00 AM		
3	Dated this 9 th of September, 2016				
4		Nina Carte	er, Board Member		
5		11	la fan aisma tuna		
6			le for signature behl, Board Member		
7					
8					
9	Cheryl P		lug, Board Member		
10					
11	NOTE: This is a final decision and order of the Growth Management Hearings Board				
12	issued pursuant to RCW 36.70A.300. ²¹				
13					
14					
15					
16					
17					
18					
19					
20					
21	21 Chould a party change to do as a motion for recensive	deretion must be	ha filad with the Doord and as	nuod on all	
22	21 Should a party choose to do so, a motion for reconsideration must be filed with the Board and served on all parties within ten days of mailing of the final order. WAC 242-3-830(1), WAC 242-3-840.				
	A party aggrieved by a final decision of the Board may appeal the decision to Superior Court within thirty days as provided in RCW 34.05.514 or 36.01.050. The petition for review of a final decision of the board shall be				
23 24	served on the board but it is not necessary to name the 242-03-970. It is incumbent upon the parties to review a Management Hearings Board is not authorized to provide	board as a pa Il applicable st	arty. See RCW 36.70A.300(5) ratutes and rules. The staff of	and WAC	

FINAL ORDER GRANTING SUMMARY JUDGMENT Case No. 16-2-0002 September 9, 2016 Page 9 of 9

24

25

26